PROPOSED NQMC REQUIRMENTS LIST

C-1. General.

The "Objectives" represent the overall outcomes the Government is procuring. The objectives are supported by technical requirements. These requirements represent specific tasks, outcomes, and standards that must be achieved in support of the overall objectives. The purpose of this contract is to assist Health Affairs, TRICARE Management Activity (TMA), the Services, the Lead Agencies, and the new Regional Support Offices by providing the Government with an independent, impartial evaluation of the care provided to Military Health Services (MHS) beneficiaries. The Contractor shall provide oversight of the Designated Providers (DP) under the Uniformed Services Plan (USFHP), the 12 current regional Managed Care Support Contracts (MCSC) as those contracts phase out, and shall also provide oversight for the 3 new regional MCSC.

C-2. Objectives.

Objective (1) The Contractor shall provide an independent, impartial evaluation of the healthcare provided to the MHS beneficiaries.

Objective (2) The Contractor shall evaluate "best value health care" consistent with TRICARE requirements.

Objective (3) The Contractor shall develop a system to measure and report the quality of health care services and provides tools for making informed decisions, insight for targeting quality improvement activities and information that allows for external comparisons of the health care regions and promotes medical care that is consistent with clinical guidelines.

Objective (4) The Contractor shall develop a process to measure, evaluate and identify superior quality health care services and recommend means to transfer successes.

Objective (5) The Contractor shall provide comprehensive and timely reviews that are consistent with all TRICARE requirements, reflecting high quality work for all work assigned, including mental health facility certification, peer reviews for TMA, reconsideration reviews, and Standard of Care determinations for Military Treatment Facility (MTF) malpractice cases.

C-3. Documents.

The following documents are hereby incorporated by reference and form an integral part of this contract. Documentation incorporated into this contract by reference has the same force and effect as if set forth in full text.

TRICARE provisions under the 12-Region system:

Title 10, United States Code, Chapter 55

32 Code of Federal Regulations, Part 199

TRICARE Operations Manual (TOM) 6010.49

TRICARE Policy Manual (TPM) 6010.47

TRICARE Reimbursement Manual (TRM) 6010.53

TRICARE Automated Data Processing and Reporting (ADP) Manual 6010.50
The manuals and CFR are located at: www.tricare.osd.mil/manuals.

TRICARE provisions under the 3-Region system:

Title 10, United States Code, Chapter 55

32 Code of Federal Regulations, Part 199

TRICARE Operations Manual (TOM) 6010.51-M, August 1, 2002

TRICARE Policy Manual (TPM) 6010.54-M, August 1, 2002

TRICARE Reimbursement Manual (TRM) 6010.55-M, August 1, 2002

TRICARE Systems Manual (TSM) 7910.1-M, August 1, 2002

The manuals and CFR are located at:
www.tricare.osd.mil/ Contracting/Healthcare/Solicitations

Click on "Link to T-NEX Solicitations," Click on "MDA 906-02-R-0006" MCSS Solicitors, Click on "Drop Down Menu," Click on "Referenced Manuals."

C-4. Definitions

Definitions and references in Section C-5 through C-7 are included in the TRICARE Operations Manual, 6010.51-M, August 1, 2002.

C-5. Government Furnished Property and Services

TRICARE Grouper developed by Health Information Systems, 3M Health Care.

Resident Assessment Validation and Entry (RAVEN) System produced by Centers for Medicare and Medicaid Services (CMS).

C-6. Contractor Furnished Items

The Contractor furnishes all necessary items not provided by the Government for the satisfactory performance of this contract.

C-7. Technical Requirements

C-7.1. The Contractor shall establish and maintain sufficient staffing and management support services and commit all other resources and facilities necessary to achieve and maintain compliance with the requirements of this contract.

C-7.1.1. The Contractor shall have available to it, by arrangement or otherwise, the services of a sufficient number of actively practicing, board certified, licensed doctors of medicine or osteopathy actively practicing medicine or surgery to assure adequate peer review of the services provided by the various medical specialties and subspecialties, as identified by the American Board of Medical Specialties.

C-7.1.2. The Contractor shall have procedures for ensuring availability of non-physician peer reviewers of the provider types set forth in 32 CFR 199.6 for all categories of providers not requiring physician referral.

C-7.1.3. Provide documentation of prior review experience, similar to that required in this contract, in making utilization and quality determinations.

C-7.1.4. Demonstrate that procedures and policies are in place that shall provide independence and objectivity for reviews.

C-7.1.5. Any offeror that has a contract or agreement with a TRICARE MCSC or Designated Provider (DP) is not eligible for award.

C-7.1.6. The Contractor shall comply with records management provisions of the TRICARE Operations Manual, Chapter 2.

C-7.1.7. All beneficiary records used in any way by the Contractor must be protected as required by the Freedom of Information Act, the Privacy Act of 1974, the Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act, and the Health Insurance Portability and Accountability Act (HIPAA) of 1996. Beneficiary records must be protected, in terms of privacy and security during use, transmission, storage, destruction, and handling.

C-7.2. The Contractor shall assure that all staff are qualified by education, training, and experience to perform at a professional level of expertise.

C-7.2.1. The Contractor shall document its review and verification of the credentials and maintain current and accurate records for all reviewers under this contract. The Contractor shall conduct the credential verification process when the reviewer is first considered for employment or contract, and every two years after the individual has assumed reviewer responsibilities.

C-7.3. The Contractor shall establish and continuously operate an internal quality management program covering every aspect of the Contractor's operation to ensure control accuracy, and timeliness. A summary report addressing the Contractor's` compliance with the qualitative and quantitative standards, problems identified by the Contractor's internal quality management program, and the corrective actions planned/initiated shall be provided to the Contracting Officer's Representative (COR) within 45 days of the end of each contract quarter.

C-7.3.1 The Contractor shall comply with the Staff Training Program (Part 5.0) and the Internal Audits and Management Control Programs (Part 6.0) consistent with TRICARE Operations Manual, Chapter 1, Section 4.

C-7.4. On a monthly basis, TMA shall select approximately 1400 cases for review. The Contractor shall transmit the case selection to the appropriate MCSC or DP Contractor to obtain the selected medical record. Additionally, a medical record(s) request for each provider and a medical record cover sheet for each selected case including information for the provider to record postage and copying cost, shall be provided. Upon receipt of the records the Contractor shall review the medical record for the selected cases to validate medical management decisions made by MCSC and DP contractor and assess the quality of care provided.

C-7.4.1. The Contractor shall review medical, surgical and mental health cases using recognized accepted utilization review criteria to provide consistent and standardized reviews in accordance with the documents specified in Section C-3 above.

C-7.4.2. For each case selected by TMA, the Contractor shall determine that the MCSC and DP are performing pre-authorizations and retrospective and prepayment reviews, consistent with TRICARE Operations Manual, Chapter 7.

C-7.4.3. The Contractor shall review cases for medical necessity and appropriateness of services rendered in accordance with documents referenced in C-3 of this document.

C-7.4.4. The Contractor shall identify cases of inappropriate medical care, preventable admissions and shall identify care that is not a TRICARE benefit.

C-7.4.5. The Contractor shall identify potential cases of fraud and abuse, consistent with 32 CFR 199.9.

C-7.4.6. The Contractor shall apply appropriate quality screens and medical judgment to identify quality issues. These quality reviews shall utilize both process and outcome measures that focus on deficiencies in the delivery of health care that result in an adverse affect on the patient. These reviews shall also identify superior healthcare services.

C-7.4.7. Potential quality concerns, utilization concerns, inappropriate medical care, preventable admissions or potential fraud and abuse must be confirmed by a board certified licensed physician, actively practicing in the technical area being reviewed.

C-7.4.8. If the selected case is covered by the DRG-based payment system, or the Skilled Nursing Facility (SNF) Prospective Payment System based upon Resource Utilization Groups (RUGs), the Contractor's review shall determine if the diagnostic and procedural information and the discharge status, as reported by the institution, and the resident needs assessment completed by the SNF, matches the information in the medical record. In addition, the Contractor shall verify that the SNF record documents the three-day qualifying hospital stay and unless medically inappropriate, the admission to the SNF occurred within 30 days of discharge from the hospital (TRICARE Operations Manual, Chapter 8, Section 2, IV.C.3).

C-7.4.9. The timing of review begins with the date of Contractor's receipt of the medical record from the MCSC or DP. For 95% of all cases, the review shall be completed within thirty (30) calendar days. The remaining 5% shall be completed within forty-five (45) calendar days.

C-7.5. The Contractor shall provide the following written reports:

C-7.5.1. The Contractor shall provide a monthly written report by the 10th of each month. This report shall include information about TMA selected cases, specifically:

- Utilization Management Concerns
- Quality Concerns
- Coding Irregularities
- Potential Fraud and Abuse
- Inappropriate Medical Care
- Preventable Admissions
- Care that is not a TRICARE benefit

These monthly reports shall be of sufficient detail so that MCSCs and DPs shall be able to understand the concern and respond to the findings.

The MCSCs and DPs shall have an opportunity to review the issues identified, and must respond to the issues within 45 days of this report. The Contractor shall review any disagreements identified by the MCSCs and DPs, and provide TMA with a final determination report within 30 days of receipt.

C-7.5.2 On a quarterly basis, the Contractor shall provide a written report to the COR that includes details for each MCSCs and DPs performance on submitting the selected medical records and responding to the issues as required in the Operations Manual.

C-7.5.2.1. The Contractor shall submit a six-month report beginning with Option Period 1, to be delivered 60 days after the end of the 6-month report period. The report shall include a summary of findings and an analysis of patterns, trends and variations among the Health Service Regions. The report shall also provide a discussion of best value health care, recommendations on superior quality health care transfer, decreasing medically unnecessary utilization of health care services, preventable admissions and recommendations for focused studies and quality improvement projects. The Contractor

shall provide a copy of the report to the COR, the appropriate Lead Agencies and TRICARE Regional Support Offices. The Contractor shall provide to TMA a briefing package of the report.

C-7.5.3. TMA will provide to the Contractor the annual MCSC and DP clinical quality management reports that are provided by the Contractors within the three healthcare regions; the Contractors in the 12 regions are not required to provide this report. (Refer to Chapter 7, Section 4 of the TRICARE Operations Manual). The NQMC shall summarize the data from these annual reports. The Contractor shall provide an analysis that identifies patterns and trends, and assist the Government in determining best practice. The Contractor shall provide the report within 30 days of receipt of the CQMP annual reports.

C-7.6. As directed by TMA, the Contractor shall conduct focused studies that will allow TMA to quickly understand critical risks, and design and test specific interventions to improve quality of care. In general, TMA will select study issues that have a potential to significantly impact beneficiary health, functional status, and satisfaction. Additionally, focused studies may be related to specific individual providers, provider groups, or institutional providers. The Contractor shall provide a summary report to TMA within 90 days.

C-7.7. The Contractor shall conduct external reviews of paid malpractice claim cases in which the Service preliminary determination is that the malpractice payment was not caused by failure of any practitioner to meet the standard of care in accordance with DoDI 6025.15 [October 12, 2001]. The Contractor shall provide a review of each identified provider. When the case involves a physician, the case shall be reviewed by a licensed physician, who is board certified in the same clinical specialty as the physician that provided the care. Additionally, the physician reviewer shall have an active clinical practice in the same clinical area being reviewed. If the provider is other than a physician, a peer that is similarly qualified shall conduct the review. A reviewer shall limit his/her determination to his/her clinical specialty or area of qualification.

C-7.7.1. The Contractor shall complete its review within 30 days of receipt of the case.

C-7.7.2 The Contractor's report for all cases shall include: 1) a summary of the facts of the case, 2) allegations, 3) a determination as to whether the standard of care at the time the care was provided was met for each involved provider, 4) the rationale for that finding standard text, practice guidelines, any evidence-based medical citations from the literature relevant at the time of the incident, etc. and 5) a determination of whether the care provided caused the patient's injury. In addition, if the case has been identified as a system problem, the Contractor's report shall include rationale for agreeing or disagreeing with the identified system issue. A report is not complete unless all five elements are complete.

C-7.7.3. When a case involves more than one specialty, a separate report shall be issued for each specialty.

C-7.7.4 A copy of the determination(s) for each case shall be forwarded to the referring Service (Army, Navy, or Air Force Risk Management Office), the COR and to the Armed Forces Institute of Pathology upon completion of each case.

C-7.8. The Contractor shall conduct reconsideration reviews and issue decisions consistent with the NQMC Appeals and Hearings process contained in Chapter 13 of the TRICARE Operations Manual and the waiver of liability provisions in the TRICARE Reimbursement Manual.

C-7.8.1 Ninety (90) percent of the requests for expedited reviews shall be processed to completion within 3 working days of receipt of the request.

C-7.8.2 Ninety (90) percent of the requests for concurrent reviews shall be processed to completion within 3 working days of receipt of the request and medical record from the MCSC.

C-7.8.3. Eighty five percent of the non-expedited reconsiderations shall be processed to completion within 30 calendar days of receipt.

C-7.8.4. The Contractor's reconsideration decision is final and binding for payment on all parties unless the case is reopened and revised or reversed consistent with the TRICARE Operations Manual, Chapter 13.

C-7.9. The Contractor shall conduct internal and external case reviews in accordance with the "Internal and External Peer Reviews" Attachment.

C-7.10. The Contractor shall be responsible for determining whether Residential Treatment Centers (RTCs), Substance Use Disorder Rehabilitation Facilities (SUDRFs), and Psychiatric Partial Hospital Programs (PHPs), meet TRICARE requirements for authorized provider status in accordance with the provisions of 32 CFR 199.6 and the TRICARE Policy Manual.

C-7.10.1. The Contractor shall calculate the initial rates for RTCs using the methodology in 32 CFR 199.14.

C-7.10.2. The Contractor shall conduct reconsiderations of denials of facility certifications in accordance with 32 CFR 199.10 and the Appeal and Hearings Section of TRICARE Operations Manual.

C-7.10.3. The Contractor shall provide an updated monthly listing by type of facility of all RTCs, PHPs, and SUDRFs certified as of the end of the report month, to include name, address, telephone number, EIN, effective date of initial certification, patient/bed capacity, and description of population served (e.g., adult, adolescent, or specific age range(s), gender, etc.), and the per diem amount for each RTC. For PHPs, provide a brief description of each program offered (e.g., full-day or partial-day, days of operation, patient capacity). Multiple partial programs in a single facility are to be listed separately. The Contractor shall provide a copy of the facilities certification listing to each managed care support Contractor and designated provider.

C-7.10.4. Upon direction from the COR, the Contractor shall provide the technical and professional expertise to perform and record on-site review of mental health facilities, and evaluations of the qualifications and capabilities of designated facilities to provide specialized mental health treatment that complies with 32 CFR 199.6 regulation and TRICARE standards for mental health facilities. The Contractor shall focus its activity for each review according to the objectives established by the COR for the particular facility. Most reviews will be unannounced and there will be instances when a complaint investigation will need to be conducted as a component of the on-site review.

C-7.10.5. The determination of which facilities will be reviewed will be based on the nature and extent of actual or potential areas of noncompliance or substandard performance as identified by the Contractor or TMA.

C-7.10.6. Generally, the on-site review team shall be composed of three professional members: a psychiatrist, a certified clinical social worker, and a certified psychiatric nurse specialist. The on-site survey team members shall meet the qualifications of 32 CFR 199.6. The COR must approve the composition of the review team.

C-7.10.7. It is anticipated that four (4) on-site reviews per-quarter will be required throughout the term of this contract and that each review will require two to three days at the facility to conduct.

C-7.10.8. Within fifteen (15) calendar days after the end of each review, the Contractor shall provide to the COR a comprehensive written report of its findings.

C-7.11. Upon direction, the Contractor shall review the MCSC recommendations based upon reliable evidence as defined in 32 CFR 199.2 for drugs, medical treatments, or medical procedures that have moved from unproven to proven and determine whether the evidence cited is sufficient to support the MCSC's recommendation.

C-7.12. The Contractor shall provide a monthly written workload report by the 10th of each month. This report shall include specific information on:

- Malpractice peer reviews
- Reconsideration/appeal of denial determinations
- Facility certification
- Internal and external case reviews

C-7.13. The incumbent Contractor(s) shall be designated as the outgoing Contractor, even though it may succeed itself with the award of this contract. Upon the termination of this contract, the Contractor shall assume all phase-out responsibilities of the outgoing Contractor.

C-7.13.1. At the termination of the final option period, the following requirements shall be in force. The outgoing Contractor shall be responsible for completing all work assigned during the option period to include all associated reports.

C-7.13.2. For all active facility certification files, the outgoing Contractor shall organize the file and prepare a transmittal document detailing the status of record and the reason the record has been retained. The Contractor shall package each case in such a manner that all information and documents are received in an organized and orderly fashion, undamaged, and ready for immediate retrieval by the incoming Contractor.

C-7.13.3. The outgoing Contractor shall transmit the active facility certification files within thirty (30) days from the date written instructions are issued by the Contracting Officer. The outgoing Contractor shall be available and shall answer, in writing, within five (5) working days after receipt, all questions submitted in writing by the incoming Contractor and/or the Government on the review information and data transferred to the incoming Contractor for a period of thirty (30) days after receipt of materials by the outgoing Contractor.

C-7.13.4. The outgoing Contractor shall be notified of the date, time, and location of any transition meeting to be held between the Government, incoming Contractor and outgoing Contractor. The outgoing Contractor shall be issued an order under the ordering clause of this contract for travel only. Any other costs shall be provided for under the CLINs for transition.